

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 1661 - SB 1801

March 27, 2011

SUMMARY OF BILL: Requires the Tennessee Regulatory Authority (TRA) to regulate for-hire motor carriers providing limousine passenger transportation services within the jurisdiction of any municipality or governmental entity. Removes the current authority for counties with populations exceeding 500,000 to regulate limousine services offered by motor carriers.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$144,000

Decrease Local Revenue – Exceeds \$5,000

Assumptions:

- This bill will establish new regulatory responsibilities for the TRA.
- According to TRA, the bill is silent regarding authority to assess permitting, regulation, or inspection fees for the purpose offsetting any TRA expenses that will be incurred as a result of this new regulatory responsibility. As a result, no increase in state fee revenue.
- Given that TRA will have no authority to assess appropriate fees, the Authority will require an additional appropriation for any expenditures associated with the new regulatory responsibilities.
- According to TRA, the Authority will require two additional positions to implement the provisions of this bill. A recurring increase in state expenditures of \$144,000 (\$92,800 salaries, \$32,200 benefits, \$19,000 operational).
- The number of limousine services operating in counties with populations greater than 500,000 is unknown. As a result, any inspection or regulatory fee revenue currently received by such local governments for the regulation of limousines is unknown. However, the decrease in fee revenue to local governments is reasonably estimated to exceed \$5,000 per year. This estimate is based on a minimum of 100 limousines and a minimum annual fee of \$50.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/rnc